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NOTES AND MEMORANDA.

FACTS ABOUT MONEY: A REJOINDER.

I am extremely sorry that Professor Laughlin did not like the criticism of his *Facts about Money* which appeared in the January issue of this *Journal*. I tried to say of the book the best that the facts would warrant; and, if the professor in his reply to my criticism had selected or even touched upon a few of the more serious charges which were brought against his book, it would have been quite unnecessary for me to make any rejoinder. On matters of great fact or important principle those readers of this *Journal* who are trained in economics would have passed prompt and righteous judgment between author and critic; and the untrained reader would have been safely guided to the same decision by the maxim, "The angry disputant is always in the wrong." But Professor Laughlin confines his very spirited reply to certain petty inaccuracies, of which I had expressly said that in themselves they were of slight consequence, and about which even specialists in economics are not likely to know, except by chance; and, in conclusion, he carries the implication that only such trivial faults were found in his book. Moreover, the vigor and assurance with which he makes his statements may well impose upon the unlearned. I, therefore, consider it my duty, in the interest of truth, to take notice of the reply.

I believe that a comparison of the book, the criticism, and the reply, will convince any interested person that in no case did I garble the text or fall into error. But neither my own time nor the space here at my disposal, nor, indeed, the worth of the game, will warrant so wearisome an undertaking. And, for the sake at once of brevity and of thoroughness, I shall confine my attention to one of the five petty points to which alone Professor Laughlin replied. That one is the new Chinese coinage. Such matters are, in themselves, of only the slight-

est importance. But it is by truth in unimportant details that accurate scholarship is proved and inaccuracy betrayed; and what is said in the book and in the reply, under this one head, is typical of the whole.

There are several points on which author and critic contradict each other, and it may be as well to take them in order.

1. I wrote that Professor Laughlin erred as to the fineness of the coins, that they contain nine parts, not of pure metal, but of the "sycee" of Chinese commerce. Professor Laughlin reaffirms his original proposition, and adduces, as his authority, an extract from the *Bulletin de Statistique*. To this I answer that this ordinarily reliable periodical is, in this case, demonstrably incorrect. As will directly appear, its statements as to gross weight (in Chinese units) and pure content (in metric units) are inconsistent on their face; and Professor Laughlin would see this "if he knew what the Chinese weights were." Its accuracy on all points is, therefore, brought into question; and that it errs as to the fineness of the dragon dollars is then proved in a positive way by the following evidence.

In China ordinary standard silver in foreign dollars, piastres, and yens, is refined by the natives to something approximating absolute purity. This *wăn-yin*, or "sycee" silver, is then cast into the familiar "shoes," which constitute a common medium of exchange where intrinsic value passes. In this "sycee" the government dues are paid; it is in theory pure; and as such it is usually received, even by foreign merchants. But it is perfectly well known that it is not pure. Either because of the unskillfulness of the Chinese metallurgists or for some other reason, it runs ordinarily from .980 to .995, and stands most often at from .981 to .9855. Now, Minister Denby, in reporting to the Director of the Mint about the Chinese coinage, writes as follows: "The fineness, as above stated [.900], relates to parts of sycee silver, not pure silver of 1,000, as generally understood in western countries." Ottomar Haupt, in his *Arbitrages et Parités*, says, almost as if with the *Bulletin* in mind: "On trouve quelquefois dans des livres français et allemands des chiffres différant de nos données. . . .

Dans ces calculs, on suppose que l'argent Sycee est absolument fin, tandis que son titre varie, comme il est expliqué plus haut, de 0.980 à 0.995, et se tient ordinairement à 0.981." Moreover, such assays of the new dollar as have been made are evidence in the same direction. The Deputy Master of the Royal Mint, London, finds the dollar pieces .8842 fine, which is $\frac{9}{10}$ of .9823, about the ordinary quality of "sycee."

2. Professor Laughlin puts the blame for his statement that the dragon dollar contains 27.27 *grains* of fine metal off on his printer, corrects it to 27.27 *grams*, and then goes on to impeach my accuracy because I do not make the fine content 378.792 grains, but rather "a little less than 378 grains." That the printer did change *grams* to *grains* is readily to be admitted. I thought of just that possibility in reading *Facts about Money*, but rejected it, because not even that emendation would make Professor Laughlin's statement correct. It seems, however, from his reply that he wrote "27.27 grams of fine silver." But, "if he knew what the Chinese weights were," he would see that $\frac{9}{10}$ of 7 maces, 3 candareens, is about 24.6 grams, and that 27.27 grams is the approximate gross weight. Here, as indeed in all this matter, it is perfectly evident that the professor has blindly followed the *Bulletin*, heedlessly reproducing its obvious inaccuracies. Only an angry man, too, would charge me with mathematical error in computing the pure content of the dollar at *less* than 378 grains. For only by deliberately rejecting my expressed hypothesis, and by incorrectly considering the "sycee" as absolutely pure, can the figure be raised as high as 378.792.

3. The most characteristic passage of all in Professor Laughlin's reply is that in which he seeks to cast discredit upon my criticism by alleging that I disregard China's unfaithfulness to her mintage laws. He says that "China has a way of deviating from the letter of the law, and has actually coined piastres weighing only 7 maces, 2 candareens (instead of 3)." This is not "a display of superior learning": it is nothing less than a blunder, due to ignorance of the topic under discussion. The fact is that only for a very brief time was the legal weight kept at 7 maces, 3 candareens: it was

almost immediately reduced to 7 maces, 2 candareens. Haupt simply says that the reduction was made "plus tard"; but Minister Denby, as early as February 6, 1891, reported the weight as 7.2 maces, and the Chinese vice-consul at New York, Mr. L. Wing, informs me that he has no recollection of any of the heavier coins. Indeed, a 10-cent piece, which has been in my possession since 1893, is stamped, and in English, too, "7.2 candareens." It is thus evident that Professor Laughlin has never seen one of the coins; and the pieces of which he has heard are evidence, not that the Chinese moneyers issue light-weight coins, but that they put in the full legal weight. And to the same conclusion all the other evidence leads us. The Canton mint is about the largest and most costly institution of its kind in the world, solidly constructed of stone and brick, and supplied with the most expensive and modern presses and other appliances from the world-famous house of Ralph Heaton & Sons, Birmingham. The silver coins are beautifully made, and, according to tests made at the Royal Mint, London, are, as we should expect, less than .9 fine, but fairly correct as to weight. The 10-cent piece, of which mention was just made, falls below its legal weight by only 6.5 milligrams, or one quarter of 1 per cent.; while the act of 1873 permitted a deviation in American dimes of $1\frac{1}{2}$ grains, or 3.888 per cent.

Very similar answers are easily to be made to the other four points of the reply; but I shall pursue the subject no further, either now or hereafter. I must, however, remark that there is a carelessness of statement which, in point of sinfulness, approximates to willful misrepresentation, and that a man who publishes statements for which he has no warrant cannot be rebuked too severely.

To the personal innuendoes of Professor Laughlin's reply I make no rejoinder. Those who read this *Journal* care more about the accuracy than about the ages of the contributors; and a scholarly reputation is to be had neither by claiming it for one's self nor by abusing one's adversaries.

WILLARD FISHER.

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PRESIDENT Francis A. Walker will publish shortly, through the firm of Henry Holt, a volume on the history of bimetalism, being the substance of a course of lectures delivered in Harvard University in the early months of the current year.

THE discussion as to the interpretation of a certain passage in the *Politics* of Aristotle, concerning the art of acquiring wealth, which was opened in this *Journal* in the issue for April, 1895 (ix. 333), is continued by Professor Cook Wilson, of Oxford, in the *Classical Review* for May.

THE United States Department of Labor has in press a revised edition of its second Special Report, which is a collection of the labor laws of the different States and Territories. The new edition brings the legislation down to the close of 1895. All laws have been annotated with reference to decisions of courts, wherever these have interpreted, limited, or modified the statutes. The new edition is expected to appear early in the autumn.

Two further instalments have appeared in the elaborate *Hand- und Lebrbuch der Staatswissenschaften*, which Dr. K. Franckenstein is editing for the Leipzig firm of Hirschfeld. One is a volume on *Der Arbeiterschutz* by the editor himself: the other is on *Das Einkommen*, by Dr. Kleinwächter. We note also that Schönberg's *Handbuch der politischen Oekonomie* is entering on its fourth revised edition, the first part of Volume I. having appeared. The new edition, like the third, will be in three large volumes. As still further evidence of the indefatigable industry of the German scholars, we have a first supplementary volume to the *Handwörterbuch der Staatswissenschaften*, covering a long series of topics and bringing to date the information on such subjects as *Arbeit*, *Banken*, *Gewerkvereine*, *Universitäten*, *Währung*. A second

supplementary volume, which is similarly to bring to date topics not treated in the first volume, is promised for the spring of 1897.

A CONSIDERABLE enterprise has been embarked on by the *Journal of Commerce and Commercial Bulletin* of New York, which publishes, under the charge of its editor, Mr. W. Dods-worth, *A History of Banking in All Nations*. The history will be completed in four bulky volumes, and will be made up of monographs by a large number of writers, each of whom treats of the affairs of his own country. Of the two volumes which have appeared, the first, given wholly to the history of banking in the United States, is from the able hand of Professor Sumner of Yale University: the second treats of banks in Great Britain and in Russia, and of savings-banks in the United States, the writers being Messrs. H. D. MacLeod, A. E. Horn, and J. P. Townsend. For the third and fourth volumes we are promised contributions on the Latin nations, by Pierre des Essars; on Germany and Austria, by Max Wirth; on Canada, by Byron E. Walker; and others by equally competent hands. The series, when completed, will be a valuable repository of information.

THE *Statistical Abstract of the United States* for 1895 makes its appearance with gratifying promptness, and with additional matter and indications of greater care in preparation. A new "General Summary of Financial and Commercial Statistics" is prefixed, giving suggestive figures, per head of population, on such subjects as public revenue, currency, foreign trade, and the consumption of staple articles. We may mention, as further evidence of the intelligent activity of Mr. Worthington C. Ford, the chief of the Treasury Bureau of Statistics, that the monthly report of that Bureau for November contained a well-constructed chart, showing the movement of imports and exports from 1791 to 1895, and also the movement of gold and silver in and out of the country from 1821 to 1895. The chart will be of service to all students and teachers of the economic history of the United States.

DURING the quarter just elapsed three noted economists of Latin race have died,—Henri Cernuschi, Léon Say, and Luigi Cossa. All three had reached ripe years, and in their several fields had earned high reputations. M. Cernuschi, though an Italian by birth, lived in France through the greater part of his life, and was French in his literary affiliations. His ardent advocacy of bimetallism insures him a permanent place in the history of monetary discussion. M. Say's most solid title to fame as an economist is probably his admirable report on the payment of the Franco-German war indemnity; though economists owe him a large debt of gratitude for his editorship of the *Dictionnaire des Finances*, and of the *Dictionnaire d'Économie Politique* in its second edition. Both were men of affairs as much as they were men of science, M. Cernuschi having been an active and successful banker, while M. Say was several times minister of the finances in France, and for a generation an important figure in public life. Professor Cossa, on the other hand, had been for near forty years, since his first appointment at Pavia in 1858, uninterruptedly in the academic ranks. His international reputation rested chiefly on his bibliographical work. In his native country he enjoyed an enviable position of wide influence in the organization and administration of the economic departments of the Italian universities.